

TO THE OFFICERS AND DIRECTORS OF STATE BANKS IN ILLINOIS

Upon entering into my duties as Auditor of Public Accounts, my initial message to you expressed my view that one of my most important public services arose from the responsibilities charged to me by the Banking Act and that those responsibilities could best be fulfilled by having the cooperation of the officers and directors of the State banks in Illinois.

I have received the utmost cooperation. The helpful and friendly relations with the bankers of Illinois have been a genuine pleasure.

In closing my administration as Auditor, it seems fitting and may be of value to review some of the happenings of the past four years and at the same time bring to your attention some of the apparent problems that may confront you.

During the past four years the total deposits and the total resources of banks have continued to climb. As a result of this prevailing condition the total resources of Illinois State banks were reported for the first time to be in excess of four billions of dollars. This first occurred on December 31, 1951 when the reported resources amounted to \$4,011,055,866.74. Later, \$4,045,565,469.44 was reported on September 5, 1952.

Corresponding increases have occurred in total deposits although the investment by Illinois State banks in obligations of the United States government have maintained much the same level. In fact the level has remained practically constant for the past six years. The volume of loans and discounts, however, has expanded quite rapidly. In dollar-

volume loan accounts have doubled in slightly over six years and the \$973,598,556.41 reported by Illinois State banks on September 5, 1952 was almost four times as great as the lowest figure reported in the last ten years.

While serving as Auditor of Public Accounts the Illinois General Assembly and the Congress of the United States have passed some very beneficial banking legislation. Among these were the permissive "Five day week" legislation adopted by the General Assembly in 1949, as well as the two measures proposed by the General Assembly in 1951 and approved by the voters at the recent election. These latter measures were the Constitutional Amendment eliminating double liability, and the Banking Law Amendment providing for the conversion of national banks into state banks or the consolidation of national banks with state banks under state charter.

The United States Congress adopted legislation relating to the Federal Deposit Insurance Corporation, one item of which increased the maximum deposit insurance from \$5,000 to \$10,000. The Congress also passed a measure which for the first time permitted conversions of national into state banks.

A number of measures containing arbitrary and discriminatory elements or threats to the dual banking system were proposed but failed to be enacted. Among these was United States Senate Bill 1775 in 1949 which would have provided the Federal Reserve System with powers to require certain reserves from non-member insured state banks. At about the same time another measure was introduced in Congress proposing the consolidation of the powers and functions of the three federal banking authorities under a single agency. In effect either of these measures if passed would have solidified control over all insured banks, state as well as national, into one all-powerful federal agency.

The same or at least similar proposals to these two undesirable measures continue to be suggested from time to time. Recent news reports seem to indicate a possibility that the reserve requirements for non-member banks may again be introduced. The re-introduction of the single agency proposal likewise is a possibility. Every piece of proposed banking legislation should continue to be examined for its intent and for its underlying effect upon our dual system.

As a final message to the bankers of Illinois I would like to stress the importance of two operating problems that seem worthy of continued recognition by the banking industry as a whole, as well as thoughtful consideration by the individual bank.

Of first consideration is the matter of adequate and trained personnel, not only for immediate requirements, but for problems that may be expected to arise.

Today's problem extends less to managing officers, as the current needs in the individual banks are not acute by reason of any widespread lack in principal administrative officers. Banks seem well managed at present although a severe deficiency seems to exist in both the number and the qualifications of the junior or secondary type employee. It is from this field that future management should be developed and through which present management should be supplemented in their administrative duties as well as relieved of the lesser important details that now burden the principal officers of a great many banks.

The increase in the volume of business transacted with and through banks has increased the administrative responsibilities of bank officers and also has created problems that are likely to expand, particularly if presented under less favorable economic conditions. In addition most bank officers are required to assume a vast amount of purely detail work that could be delegated to junior officers and is, in many instances, of a nature that rightfully should be performed by clerical help.

Any lack in the individual bank of sufficient clerical help is readily recognized and of course should be alleviated. There are no logical reasons for such situations to continue as it would be rare to find a community that is devoid of a prospect having the required capabilities, and the existence of these situations are neither required nor a genuine measure of economy.

Today the vital deficiency in the classes of bank operating personnel lies in that group who should be filling the junior or secondary positions and acquiring those abilities necessary to progress into the principal administrative posts.

This type of deficiency seems to be a prevailing circumstance throughout the banking industry, and particularly in those located outside of metropolitan areas, as well as in those in the smaller country communities. Even though a critical circumstance does not exist in the individual bank or does not seem apparent, boards of directors should be mindful of this general situation and they might consider establishing a reserve of talent in much the same reasoning that they establish reserves for other operating contingencies.

Capable employees should be encouraged to advance by being given opportunities to experience management problems and to develop their abilities. Where there is need, inducements should be made to obtain this quality of employee.

There are a number of schools that offer courses in banking to qualified bank officers and employees. One of these is the Central States School of Banking located at the University of Wisconsin and is co-sponsored by the Illinois Bankers Association. These schools provide excellent means of broadening localized training and of developing the capabilities of management.

Another deficiency seems general and concerns membership on the boards of directors. Quite frequently an individual bank will find that it is unable to fulfill the membership requirement of its board. If banks are to maintain their position as community enterprises and continue to function in the interest of their community, some provision must exist or some possibilities must be present to provide reasonable assurance that the bank will not be threatened by membership problems. The problem of replacing board members has resulted on occasion in failure to provide the minimum number of directors as required by statute, which is three. In some instances these board problems have resulted in voluntary liquidations, while in some cases it has resulted in the transfer of control of the bank to outside interests.

Although directors of Illinois State banks are elected by the shareholders for one year terms and are responsible as managers only for the terms which they serve, nevertheless, every board should consider possible future problems and propose such steps as they deem warranted by their responsibilities.

The second vital problem has been discussed in frequent BULLETIN articles as well as in numerous other informative publications. The July 1, 1952 BULLETIN contained this statement; "The problem presenting a challenge to banking is that management, directors as well as officers, must recognize that losses from within can occur in their own institution, that there are reasonable precautionary measures available, that a general adoption of reasonable measures should originate within the industry, and that once adopted, future alterations may be necessary to suit changing circumstances or developments".

A satisfactory solution to this problem is primarily the responsibility of bank boards and should be voluntarily accomplished by them. Failure to initiate proper programs is likely to cause a public demand for statutory requirement.

Benjamin O. Cooper

RECAPITULATION

State Banks in Chicago	25
State Banks in Cook County outside Chicago	28
State Banks in Illinois outside Cook County	455
Total December 15, 1952	508

Banking Bulletin

ISSUED BY

ORVILLE E. HODGE

Auditor of Public Accounts

STATE OF ILLINOIS

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Number 11

YEAR END REPORT — 1952

The aggregate resources of Illinois State banks were reported at the record figure of nearly \$4¼ billion on December 31, 1952. Total deposits likewise exceeded previous figures and amounted to nearly \$4 billion at the close of the year.

Although investments represented by obligations of the United States government have not fluctuated widely in recent years, the total book value of these investments on December 31, 1952 has been exceeded on only one past instance. The volume of loans and discounts continued to increase and these were reported to aggregate in excess of \$1 billion.

The increase in total resources amounted to \$182½ million, from the Call of September 5, 1952 to that of December 31, 1952, and is represented by a gain of nearly \$43½ million in Cash and Due from Banks, by an additional investment of \$47¼ million in United States government obligations and by an expansion in Loans and Discounts of over \$91 million.

During this time, total deposits gained nearly \$177 million. The gain in total deposits is accountable by increases of nearly \$117 million in Demand Deposits, nearly \$48 million in Time Deposits and by over \$12 million in Due to Banks.

Over \$10 million were added to capital structures and the total of these accounts now amounts to \$248 million. Total structure is now equivalent to 6.26% of total deposits as compared with 5.37% five years ago.

Other figures compared with those of five years ago are the following, showing the distribution of principal resource accounts:

	Dec. 31, 1952	Dec. 31, 1947
Cash and Due from Banks	20.7%	22.4%
U. S. Government Obligations	43.4%	51.0%
Other Bonds, Stock and Securities	9.9%	8.5%
Loans and Discounts	25.2%	17.3%

TOTAL RESOURCES AND LIABILITIES OF ILLINOIS STATE BANKS
as reported at the close of business December 31, 1952
(showing changes since September 5, 1952)

NUMBER OF BANKS.....	508	Increase or	508
DATE OF CALL.....	September 5, 1952	(-) Decrease	December 31, 1952
RESOURCES:			
Cash and Due from Banks.....	\$ 831,767,236.71	\$ 43,481,228.20	\$ 875,248,464.91
Outside Checks and Other Cash Items.....	2,819,191.92	51,737.54	2,870,929.46
U. S. Governments—Direct & Guaranteed	1,787,881,414.40	47,241,803.32	1,835,123,217.72
Other Bonds, Stocks and Securities.....	420,667,241.31	523,138.50	421,190,379.81
Loans and Discounts.....	973,598,556.41	91,166,961.95	1,064,765,518.36
Overdrafts	655,508.62	-431,096.58	224,412.04
Banking House, Furniture & Fixtures	15,266,081.97	618,427.02	15,884,508.99
Other Real Estate.....	168,620.71	-15,563.17	153,057.54
Customers' Liability—Letters of Credit	1,146,080.64	207,645.13	1,353,725.77
Customers' Liability—Acceptances.....	552,423.53	153,231.69	705,655.22
Other Resources.....	11,043,113.22	-458,258.97	10,584,854.25
GRAND TOTAL RESOURCES.....	\$ 4,045,565,469.44	\$ 182,539,254.63	\$ 4,228,104,724.07
LIABILITIES:			
Capital Stock.....	\$ 54,757,250.00	\$ 3,305,000.00	\$ 58,062,250.00
Income Debentures.....	238,000.00	None	238,000.00
Surplus	75,704,600.00	3,535,000.00	79,239,600.00
Undivided Profits (Net).....	50,976,662.50	-1,418,624.57	49,558,037.93
Reserve Accounts.....	56,156,522.83	4,709,690.68	60,866,213.51
TOTAL CAPITAL STRUCTURE.....	\$ 237,833,035.33	\$ 10,131,066.11	\$ 247,964,101.44
Demand Deposits.....	\$ 2,380,909,442.64	\$ 116,823,277.23	\$ 2,497,732,719.87
Time Deposits.....	1,220,866,716.93	47,716,992.62	1,268,583,709.55
Due to Banks.....	182,453,210.35	12,307,810.66	194,761,021.01
TOTAL DEPOSITS.....	\$ 3,784,229,369.92	\$ 176,848,080.51	\$ 3,961,077,450.43
Bills Payable.....	\$ 6,500,000.00	\$ -6,500,000.00	\$ None
Rediscouunts	None	None	None
Dividends Unpaid.....	55,000.00	945,400.00	1,000,400.00
Letters of Credit.....	1,191,099.64	202,776.50	1,393,876.14
Bank Acceptances.....	586,537.61	214,846.61	801,384.22
Other Liabilities.....	15,170,426.94	697,084.90	15,867,511.84
TOTAL OTHER LIABILITIES.....	\$ 23,503,064.19	\$ -4,439,891.99	\$ 19,063,172.20
GRAND TOTAL LIABILITIES.....	\$ 4,045,565,469.44	\$ 182,539,254.63	\$ 4,228,104,724.07
ANALYSIS:			
Deposits Secured by Pledge.....	\$ 205,306,138.82	\$ 10,293,117.33	\$ 215,599,256.15
Deposits Not Secured by Pledge.....	3,578,923,231.10	166,554,963.18	3,745,478,194.28
TOTAL—DEPOSITS	\$ 3,784,229,369.92	\$ 176,848,080.51	\$ 3,961,077,450.43
Banking House.....	\$ 11,086,831.72	\$ 722,584.61	\$ 11,809,416.33
Furniture & Fixtures.....	4,179,250.25	-104,157.59	4,075,092.66
TOTAL—Banking House, Furniture & Fixtures	\$ 15,266,081.97	\$ 618,427.02	\$ 15,884,508.99
Commercial Paper.....	\$ 25,031,408.46	\$ 3,920,984.62	\$ 28,952,393.08
Collateral Loans.....	252,736,492.41	52,040,418.20	304,776,910.61
Other Loans.....	474,086,535.31	27,912,849.65	501,999,384.96
Farm Loans.....	21,790,205.50	1,676,286.72	23,466,492.22
Other Real Estate Loans.....	199,953,914.73	5,616,422.76	205,570,337.49
TOTAL—LOANS AND DISCOUNTS	\$ 973,598,556.41	\$ 91,166,961.95	\$ 1,064,765,518.36

REPORT OF CHANGES

		PERMITS ISSUED	Capital Surplus Reserve
Chicago.....Cook.....	Ashland State Bank.....	\$200,000.....	\$20,000.....\$60,000
	9443 South Ashland Avenue.....		December 11, 1952
Maywood.....Cook.....	Maywood-Proviso State Bank.....	\$100,000.....	\$15,000.....\$10,000
	409-411 Madison Street.....		January 7, 1953
		CHARTER ISSUED	Capital Surplus Reserve
Broadview.....Cook.....	Broadview-Westchester State Bank.....	\$50,000.....	\$10,000.....\$15,000
	1703 Roosevelt Road,		December 17, 1952
	Village of Broadview, Illinois		
	Earl T. Marquardt, President		
	Alanson Y. Lucal, Exec. Vice President		
		DURATION OF CHARTER EXTENDED	
Effingham.....Effingham.....	Effingham State Bank		
	Charter extended 99 years		
	from February 26, 1953.....		January 16, 1953
Carterville.....Williamson.....	Carterville State and Savings Bank		
	Charter extended 49 years from		
	April 12, 1953.....		January 21, 1953
LaHarpe.....Hancock.....	State Bank of LaHarpe		
	Charter Extended 50 years from		
	January 9, 1954.....		January 26, 1953
		CAPITAL STOCK INCREASED	
Rushville.....Schuyler.....	Rushville State Bank		
	from \$50,000 to \$100,000.....		December 12, 1952
Chicago.....Cook.....	The Northern Trust Company		
	from \$3,000,000 to \$6,000,000.....		December 22, 1952
Taylorville.....Christian.....	First Trust and Savings Bank of Taylorville		
	from \$75,000 to \$225,000.....		December 30, 1952
Palmer.....Christian.....	Palmer State Bank		
	from \$25,000 to \$50,000.....		January 6, 1953
Downers Grove.....DuPage.....	Citizens State Bank of Downers Grove		
	from \$100,000 to \$200,000.....		January 12, 1953
Kirkland.....DeKalb.....	The State Bank of Kirkland		
	from \$50,000 to \$75,000.....		January 12, 1953
Lake Villa.....Lake.....	The Lake Villa Trust and Savings Bank		
	from \$25,000 to \$50,000.....		January 12, 1953
McNabb.....Putnam.....	Farmers State Bank of McNabb		
	from \$30,000 to \$50,000.....		January 12, 1953
Tiskilwa.....Bureau.....	Tiskilwa State Bank		
	from \$27,500 to \$41,250.....		January 12, 1953
Winslow.....Stephenson.....	State Bank of Winslow		
	from \$25,000 to \$50,000.....		January 12, 1953
Warrenville.....DuPage.....	Warrenville State Bank		
	from \$25,000 to \$50,000.....		January 13, 1953
Benson.....Woodford.....	Farmers State Bank of Benson		
	from \$50,000 to \$75,000.....		January 16, 1953
Chicago.....Cook.....	Harris Trust and Savings Bank		
	from \$10,000,000 to \$12,000,000.....		January 16, 1953
Spring Valley.....Bureau.....	Spring Valley City Bank		
	from \$100,000 to \$150,000.....		January 16, 1953
Cissna Park.....Iroquois.....	Cissna Park State Bank		
	from \$25,000 to \$50,000.....		January 19, 1953
Farmington.....Fulton.....	Bank of Farmington		
	from \$50,000 to \$100,000.....		January 19, 1953
Windsor.....Shelby.....	Windsor State Bank		
	from \$25,000 to \$37,500.....		January 19, 1953
Carthage.....Hancock.....	Marine Trust Company of Carthage		
	from \$50,000 to \$100,000.....		January 20, 1953
Dahlgren.....Hamilton.....	Farmers State Bank of Dahlgren		
	from \$35,000 to \$52,500.....		January 20, 1953
Addison.....DuPage.....	Addison State Bank		
	from \$25,000 to \$50,000.....		January 21, 1953

CAPITAL STOCK INCREASED (Continued)

Chicago.....Cook.....	Drovers Trust and Savings Bank from \$625,000 to \$750,000.....	January 21, 1953
Chicago.....Cook.....	South Chicago Savings Bank from \$500,000 to \$625,000.....	January 21, 1953
Herscher.....Kankakee.....	State Bank of Herscher from \$25,000 to \$50,000.....	January 21, 1953
Marengo.....McHenry.....	Marengo State Bank from \$75,000 to \$100,000.....	January 21, 1953
Sherrard.....Mercer.....	Farmers State Bank of Sherrard from \$25,000 to \$50,000.....	January 21, 1953
Graymont.....Livingston.....	State Bank of Graymont from \$25,000 to \$50,000.....	January 22, 1953
Mansfield.....Piatt.....	Peoples State Bank of Mansfield from \$25,000 to \$50,000.....	January 22, 1953
Waterman.....DeKalb.....	Waterman State Bank from \$30,000 to \$60,000.....	January 22, 1953
Villa Park.....DuPage.....	Villa Park Trust and Savings Bank from \$50,000 to \$100,000.....	January 23, 1953
Peotone.....Will.....	Peotone State Bank from \$50,000 to \$75,000.....	January 26, 1953
Shannon.....Carroll.....	First State Bank of Shannon from \$60,000 to \$100,000.....	January 26, 1953
Chapin.....Morgan.....	Chapin State Bank from \$25,000 to \$50,000.....	January 27, 1953
Granite City.....Madison.....	Granite City Trust and Savings Bank from \$150,000 to \$300,000.....	January 27, 1953
LeRoy.....McLean.....	LeRoy State Bank from \$75,000 to \$150,000.....	January 27, 1953
Lexington.....McLean.....	Peoples Bank of Lexington from \$30,000 to \$60,000.....	January 27, 1953
Mount Carmel.....Wabash.....	Security Bank of Mount Carmel from \$200,000 to \$250,000.....	January 27, 1953
Tolono.....Champaign.....	Citizens Bank of Tolono from \$25,000 to \$40,000.....	January 27, 1953
Virginia.....Cass.....	Petefish, Skiles & Co. from \$50,000 to \$100,000.....	January 27, 1953

CHANGE OF PAR VALUE OF CAPITAL STOCK

Mt. Vernon.....Jefferson.....	Security Bank of Mt. Vernon from \$100.00 to \$50.00.....	January 20, 1953
Addison.....DuPage.....	Addison State Bank from \$100.00 to \$50.00.....	January 21, 1953
Shannon.....Carroll.....	First State Bank of Shannon from \$100.00 to \$25.00.....	January 26, 1953
Granite City.....Madison.....	Granite City Trust and Savings Bank from \$100.00 to \$10.00.....	January 27, 1953
LeRoy.....McLean.....	LeRoy State Bank from \$100.00 to \$50.00.....	January 27, 1953
Lexington.....McLean.....	Peoples Bank of Lexington from \$100.00 to \$20.00.....	January 27, 1953
Tolono.....Champaign.....	Citizens Bank of Tolono from \$100.00 to \$20.00.....	January 27, 1953
Virginia.....Cass.....	Petefish, Skiles & Co. from \$50.00 to \$100.00.....	January 27, 1953

BANKS DISSOLVED

Virgil.....Kane.....	Virgil State Bank (In liquidation March 24, 1949)	December 29, 1953
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RECAPITULATION

State Banks in Chicago.....	25
State Banks in Cook County outside Chicago.....	29
State Banks in Illinois outside Cook County.....	454
Total January 31, 1953.....	508

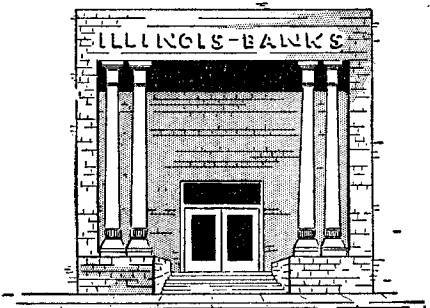
BANKING BULLETIN

Issued by

ORVILLE E. HODGE

Auditor of Public Accounts
STATE OF ILLINOIS

Springfield, Illinois, April 1, 1953



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No. 1

OPERATING RESULTS

Operating results for the year of 1952, as tabulated within, indicate that interest from investment securities has been superseded by interest from loans as the largest single item of operating income. The aggregate interest from loans reported by 506 Illinois state banks amounted to over \$43 million last year while the aggregate income from investments was \$42 million. Investment securities, however, remained the principal asset item as the aggregate of reported holdings was over twice that of loans and discounts. Although loans have increased sharply during recent years investments have been maintaining about the same level. In addition there has been a greater increase in the average loan yield than in the average yield from investments.

On the basis of the aggregate operating results reported by Illinois state banks, a net operating income in each of the past five years has been realized in what, as an equivalent, would amount to a net return of just under one percent on the average yearly holdings of loans and investments.

Total operating income from loans and investments has increased from an average yield of 2.22% in 1948 to 2.71% in 1952. Operating income from sources other than interest on loans and investments has been realized throughout at a rate comparable to a yield of approximately one-half of one percent on the total average holdings of loans and investments.

The increase in total operating income from the equivalent of a 2.70% yield on the annual average loans and investments in 1948 to 3.23% in 1952 parallels and reflects the betterment in interest income. Also paralleling the betterment in interest income was the rise in operating expenses. The rising costs of operation, however, have been completely absorbed by the additional interest income.

Cash dividends paid to stockholders during the past five years varied between 15.57% and 18.24% of the annual net operating income, while the major portion of this income was retained each year by the banks and added to capital accounts. This occurred after consideration had been given to the net requirements for losses and other write-offs. In 1952 the retention amounted to 71.24%.

Based on the yearly average of the total loans and discounts held by Illinois state banks, the reported interest income on loans amounted to an average interest rate of 4.44% in 1952. This rate was 3.70% in 1948. The average yield on investment securities was 1.94% in 1952 and 1.77% in 1948.

OPERATING RESULTS OF ILLINOIS STATE BANKS

Dollar amounts are shown as thousands

(A) Percentages express the equivalent average interest yield on total loans and investment securities.

(B) Percentages represent relationship to net income from operations.

Years	1948		1949		1950		1951		1952	
Number of Banks	499		502		505		504		506	
OPERATING RESULTS										
	Totals		Totals		Totals		Totals		Totals	
Operating Income										
Interest and discounts on loans.....	\$	22,606	\$	25,224	\$	28,645	\$	35,448	\$	43,437
Interest and dividends on securities.....		35,713		36,451		39,770		40,018		42,205
Total—from loans and securities.....	\$	58,319	(A)	61,675	(A)	68,415	(A)	75,466	(A)	85,642
Service charges, exchange and fees.....	\$	5,525		5,790		6,240		6,696		7,032
Trust department.....		5,024		5,230		6,162		6,142		6,568
Miscellaneous.....		2,196		2,322		2,651		2,621		2,881
Total—other than interest.....	\$	12,745	(A)	13,312	(A)	15,053	(A)	15,459	(A)	16,481
Total operating income.....	\$	71,064	(A)	74,987	(A)	83,468	(A)	90,925	(A)	102,123
Expenses										
Salaries.....	\$	22,254		23,914		25,802		28,423		31,710
Interest on deposits.....		8,332		8,328		9,033		10,471		13,024
Taxes.....		4,901		5,749		6,592		8,318		10,921
Miscellaneous.....		13,653		14,066		14,197		15,401		17,123
Total.....	\$	49,140	(A)	52,557	(A)	55,624	(A)	62,613	(A)	72,778
Net Operating Income.....	\$	21,924	(A)	22,430	(A)	27,844	(A)	28,312	(A)	29,345
Recoveries and Profits										
Recoveries on loans.....	\$	720		1,699		841		479		667
Recoveries on securities.....		391		359		388		248		1,421
Profits on securities.....		716		776		1,579		946		1,098
Miscellaneous.....		541		359		653		379		608
Total.....	\$	2,368	(B)	3,193	(B)	3,461	(B)	2,052	(B)	3,794
Net Operating Income, Recoveries and Profits.....	\$	24,292		25,623		31,305		30,364		33,139
Losses, Depreciation and Write-offs										
Loans.....	\$	703		1,658		871		667		889
Securities.....		6,526		4,641		5,799		7,849		4,448
Banking house, furniture and fixtures.....		1,105		1,161		1,527		2,401		1,523
Miscellaneous.....		628		429		549		457		476
Total.....	\$	8,962	(B)	7,889	(B)	8,746	(B)	11,374	(B)	7,336
Cash Dividends Paid.....	\$	3,807	(B)	4,092	(B)	4,334	(B)	4,600	(B)	4,899
Retained in Capital Accounts.....	\$	11,523	(B)	13,642	(B)	18,225	(B)	14,390	(B)	20,905
TOTAL RESOURCES AND LIABILITIES										
	Yearly Average		Yearly Average		Yearly Average		Yearly Average		Yearly Average	
Cash resources.....	\$	735,490	\$	741,616	\$	740,884	\$	819,549	\$	842,995
U. S. Government obligations.....		1,720,945		1,733,843		1,731,709		1,696,025		1,769,065
Other investment securities.....		295,220		327,798		386,473		394,125		411,512
Loans and discounts.....		610,126		638,438		726,863		881,904		978,047
All other resources.....		20,637		21,478		25,497		26,780		27,494
Total resources.....	\$	3,382,418	\$	3,463,173	\$	3,611,426	\$	3,818,383	\$	4,029,113
Capital accounts.....	\$	177,657	\$	189,170	\$	205,815	\$	221,801	\$	235,340
Total deposits.....		3,193,051		3,262,666		3,390,016		3,567,451		3,770,212
All other liabilities.....		11,710		11,337		15,595		29,131		23,561
Total liabilities.....	\$	3,382,418	\$	3,463,173	\$	3,611,426	\$	3,818,383	\$	4,029,113
AVERAGE YIELDS ON LOANS AND INVESTMENTS										
Total loans (yearly average).....	\$	610,126	\$	638,438	\$	726,863	\$	881,904	\$	978,047
Interest income.....	\$	22,606	\$	25,224	\$	28,644	\$	35,448	\$	43,437
Yield %.....		3.70%		3.95%		3.94%		4.02%		4.44%
Total investment securities (yearly average).....	\$	2,016,165	\$	2,061,641	\$	2,118,182	\$	2,090,150	\$	2,180,577
Interest income.....	\$	35,713	\$	36,451	\$	39,770	\$	40,018	\$	42,205
Yield %.....		1.77%		1.77%		1.88%		1.91%		1.94%

POLICY CONCERNING BULLETINS

A policy has been adopted by Orville E. Hodge, Auditor of Public Accounts, to the effect that BULLETINS will be published only when statistical information is available or when some message appears to be of general interest and importance.

BANKING BULLETIN, Vol. 28—No. 12, which formerly would have been issued under the date of March 1, 1953, was not published, and, in keeping with the new policy, the publication of future issues will depend upon the frequency and importance of available material.

REPORT OF CHANGES

PERMITS ISSUED

			Capital	Surplus	Reserve
✓ Park Forest.....Cook.....	Bank of Park Forest.....	\$100,000.....	\$25,000.....	\$50,000	
	One Plaza Street.....		March 2, 1953		
✓ Loves Park.....Winnebago.....	Park State Bank.....	\$ 50,000.....	\$10,000.....	\$15,000	
	415 Grand Avenue.....		March 20, 1953		

CHARTERS ISSUED

✓ Havana.....Mason.....	State Bank of Havana.....	\$100,000.....	\$50,000.....	\$25,000	
	118 West Market Street.....		February 10, 1953		
	Harold W. Morgan, President				
	Earl C. Dempsey, Cashier				
✓ Park Forest.....Cook.....	Bank of Park Forest.....	\$100,000.....	\$25,000.....	\$50,000	
	One Plaza Street.....		March 26, 1953		
	Sam Beher, President				
	Laurence Nortrup, Cashier				

CONVERTED INTO STATE BANK

✓ Quincy.....Adams.....	Illinois National Bank of Quincy				
	to Illinois State Bank of Quincy.....		March 26, 1953		

CAPITAL STOCK INCREASED

✓ Chicago.....Cook.....	Aetna State Bank				
	from \$200,000 to \$350,000.....		February 18, 1953		
✓ Broadview.....Cook.....	Broadview-Westchester State Bank				
	from \$50,000 to \$100,000.....		March 11, 1953		
Toulon.....Stark.....	State Bank of Toulon				
	from \$75,000 to \$100,000.....		March 25, 1953		

CHANGE OF PAR VALUE OF CAPITAL STOCK

✓ Arthur.....Moultrie.....	State Bank of Arthur				
	from \$100.00 to \$25.00.....		February 13, 1953		
✓ Chicago.....Cook.....	Aetna State Bank				
	from \$100.00 to \$12.50.....		February 18, 1953		
✓ Springfield.....Sangamon.....	Springfield Marine Bank				
	from \$100.00 to \$25.00.....		February 24, 1953		

RECAPITULATION

State Banks in Chicago.....	25
State Banks in Cook County outside Chicago.....	30
State Banks in Illinois outside Cook County.....	456
Total March 31, 1953.....	511